



**MCI Telecommunications
Corporation**

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APR -4 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

April 4, 1995

Mr. William F. Caton
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

**Re: Local Exchange Carriers' Rates Terms, and Conditions for
Expanded Interconnection Through Virtual Collocation for
Special Access and Switched Transport, CC Docket No. 94-97,
Phase I**

Dear Mr. Caton:

Enclosed herewith for filing are the original and four (4) copies of MCI Telecommunications Corporation's Opposition to Direct Cases regarding the above-captioned matter.

Please acknowledge receipt by affixing an appropriate notation on the copy of the MCI Opposition to Direct Cases furnished for such purpose and remit same to the bearer.

Sincerely yours,

Don Sussman
Regulatory Analyst

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DHS

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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In the Matter of:)
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Expanded Interconnection Through)
Virtual Collocation for Special)
Access and Switched Transport)

CC Docket No. 94-97
Phase I

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MCI OPPOSITION TO DIRECT CASES

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April 4, 1995

SUMMARY

MCI Telecommunications Corporation respectfully submits its Opposition to the direct cases filed by the Tier 1 local exchange carriers on March 21, 1995.¹ The LECs have failed to justify the excessive and unreasonable overhead loadings that they have applied to bottleneck facilities required by interconnectors seeking to compete in the local exchange market. In light of the LECs' failure to meet their burden of proof, MCI recommends that the Commission affirm the rate analysis presented in the Virtual Collocation Tariff Suspension Order, in which the Common Carrier Bureau adjusted the overhead loadings of the LECs to reflect the lowest overhead loadings assigned to the LECs' comparable DS1 and DS3 services.

MCI agrees that LECs should be required to extend "to interconnectors the same treatment of overhead assignment that the LECs give their most favored DS1 and DS3 customers."² MCI also argues that the Commission's Virtual Collocation Order was preceded by adequate notice and opportunity to comment; that confidential treatment of cost support is not in the public interest; that the Bureau's Virtual Collocation Tariff Suspension Order reaffirmed Commission policy, did not

¹Ameritech Operating Companies ("Ameritech"), Bell Atlantic Telephone Companies ("Bell Atlantic"), BellSouth Telecommunications, Inc. ("BellSouth"), Cincinnati Bell Telephone Companies ("CBT"), GTE System Telephone Companies ("GSTC"), GTE Telephone Operating Companies ("GTOC"), Southwestern Bell Telephone Company ("SWBT"), United and Central Telephone Companies ("United"), US West Communications, Inc. ("US West"). GTOC and GSTC are referred to collectively as GTE.

²Ameritech Operating Companies et al., CC Docket No. 94-97, Order, DA-1421 (released December 9, 1994)("Virtual Collocation Tariff Suspension Order") at ¶27.

exceed the Bureau's authority, and was not confiscatory; and that certain LECs cost of money is unreasonable.

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MCI OPPOSITION TO DIRECT CASES

I. INTRODUCTION

MCI Telecommunications Corporation ("MCI") respectfully submits its Opposition to the direct cases filed by the Tier 1 local exchange carriers ("LECs") on March 21, 1995.³ The LECs have failed to justify the excessive and unreasonable overhead loadings that they have applied to bottleneck facilities required by interconnectors seeking to compete in the local exchange market. In light of the LECs' failure to meet their burden of proof, MCI recommends that the Commission affirm the rate analysis presented in the Virtual Collocation Tariff Suspension Order, in which the Common Carrier Bureau ("Bureau") adjusted the

³Ameritech Operating Companies ("Ameritech"), Bell Atlantic Telephone Companies ("Bell Atlantic"), BellSouth Telecommunications, Inc ("BellSouth"), Cincinnati Bell Telephone Companies ("CBT"), GTE System Telephone Companies ("GSTC"), GTE Telephone Operating Companies ("GTOC"), Southwestern Bell Telephone Company ("SWBT"), United and Central Telephone Companies ("United"), US West Communications, Inc. ("US West"). GTOC and GSTC are referred to collectively as GTE.

overhead loadings of the LECs to reflect the lowest overhead loadings assigned to the LECs' comparable DS1 and DS3 services. MCI agrees that LECs should be required to extend "to interconnectors the same treatment of overhead assignment that the LECs give their most favored DS1 and DS3 customers."⁴

II. BACKGROUND

On December 9, 1994, the Bureau released the Virtual Collocation Tariff Suspension Order, which suspended for one day the permanent virtual collocation tariffs filed by the Tier 1, non-NECA, LECs, initiated an investigation into the lawfulness of these tariffs, and imposed an accounting order. The Bureau partially suspended for a five-month period those rates that appeared unreasonable, rejected certain patently unlawful terms and conditions imposed by several LECs, and ordered certain LECs to make other tariff revisions.⁵ On February 28, 1995, the Bureau released a Designation Order designating two rate level issues for the first phase of this investigation: (1) whether the overhead loadings established in the LECs' interim and permanent virtual collocation tariffs are justified; and (2) whether the maintenance-related charges in Bell Atlantic's interim and permanent

⁴Ameritech Operating Companies et al., CC Docket No. 94-97, Order, DA-1421 (released December 9, 1994) ("Virtual Collocation Tariff Suspension Order") at ¶27.

⁵Order Designating Issues for Investigation, CC Docket No. 94-97, Phase I, February 28, 1995. DA 95-374 ("Designation Order").

virtual collocation tariffs are justified.⁶ On March 21, 1995, the above-referenced LECs filed their direct cases in response to the Bureau's Designation Order.

III. FCC'S VIRTUAL COLLOCATION ORDER WAS PRECEDED BY ADEQUATE NOTICE AND OPPORTUNITY TO COMMENT

SWBT's direct case implies that the Commission acted hastily in issuing its July 25, 1994 Virtual Collocation Order.⁷ In its direct case, SWBT expresses its opinion that the appropriate level of overhead loadings could not be determined by the Bureau due to the absence of any formal debate prior to the issuance of the Virtual Collocation Order.⁸

The issues presented in adopting virtual collocation rules were, however, thoroughly examined in the expanded interconnection docket, and exhaustively debated by competitive access providers ("CAPs"), interexchange carriers ("IXCs"), and local exchange carriers ("LECs") -- including SWBT. The issue of virtual collocation was raised in the Notice of Proposed Rulemaking, and hundreds of pages of comments debating the structural merits of virtual collocation, physical collocation, and legal foundations for each were filed with the Commission in response. The Commission clearly stated that "the positions of parties expressed

⁶The Commission stated it will designate additional issues in a subsequent designation order in Phase II of this docket.

⁷Expanded Interconnection with Local Telephone Company Facilities, CC Docket No. 91-141, Memorandum and Opinion and Order, 9 FCC Rcd 5154 (1994) ("Virtual Collocation Order").

⁸SWBT Direct Case at p.3.

in the Special Access Expanded Interconnection Order, the First Reconsideration Order, the Second Reconsideration Order, and the Switched Transport Expanded Interconnection Order" were taken into account in reaching its decision in the Virtual Collocation Order.⁹ These orders ruled on, among other things, many of the same issues that were reaffirmed in the Commission's Virtual Collocation Order (including overhead loadings).

Furthermore, in the Virtual Collocation Order, the Commission stated that it considered "the entire extensive record already assembled in [the expanded interconnection] proceeding, including that compiled in response to the pending petitions for reconsideration of all [its] earlier orders."¹⁰ The Commission attached an appendix to illustrate the completeness of the "formal debate" that had already occurred in the proceeding. Thus, "the final rule [in the Virtual Collocation Order] was 'contained' in the proposed version, and merely eliminated some of the alternative[s]...specific in the [Notice.] Thus all aspects of the final rule were available to the public for comment."¹¹

Just as the Commission considered the "entire extensive record already assembled" in granting increased pricing flexibility to the local telephone companies in the Virtual Collocation Order, the Commission considered the complete record in mandating virtual expanded interconnection. SWBT's contention that the Virtual

⁹Virtual Collocation Order at n. 8.

¹⁰Virtual Collocation Order at ¶ 4.

¹¹*American Medical Ass'n v. U.S.*, 887 F.2d 760, 769(7th Cir. 1989).

Collocation Order was not preceded by adequate notice and opportunity for comment is wrong. Extensive debate of all issues, including overhead, did exist.

Moreover, the issue of the reasonableness of overhead loadings is not a new issue. In addition to adequately being discussed in the Virtual Collocation Order, the Commission has examined this issue in many of its past proceedings, including, the physical collocation proceeding, the new services test, and in the ONA order.

IV. CONFIDENTIAL TREATMENT OF COST SUPPORT IS NOT IN THE PUBLIC INTEREST

In developing tariffs for virtual collocation services, the LECs are tariffing many rate elements that enable other providers to compete with the LECs' retail offerings. For this reason, the potential for price discrimination is apparent.¹² The LECs have every incentive to use their control over the local switching arena to thwart the ability of the interconnector to compete effectively. Therefore, it is essential that the LECs provide thorough and complete cost support, on the public record, as evidence that their rates are just, reasonable, and nondiscriminatory. The Bureau should reject SWBT's, Ameritech's, and CBT's request that essential components of their respective cost support, which is filed in their direct cases, be treated as confidential.

¹²The Commission has already correctly determined that "the great disparity in loadings primarily reflected market conditions; most LECs tended to assign low overheads in markets where they faced actual or potential competition from interconnection, and high overheads where they did not (Designation Order at ¶18).

The Communications Act and the Commission's rules require a determination that the rates offered by the LECs are neither predatory nor unreasonably high.¹³ The Commission requires that the cost support material necessary to make this determination be filed on the record. In their direct cases, SWBT, Ameritech, and CBT offer no justification as to why their respective cost support should be treated as confidential. SWBT and Ameritech simply request confidential treatment of their cost support. CBT asserts that its cost support contains "trade secrets," and thus warrants confidential treatment. None provide any evidence that their information merits confidential treatment.

As MCI and other interested parties have previously demonstrated in their Freedom of Information Act (FOIA) Requests,¹⁴ withholding cost support for the proposed virtual expanded interconnection rates and rate elements is clearly not in the public interest.¹⁵ The LECs have already shown that they intend to charge

¹³See 47 U.S.C. Section 201(b). See also 47 C.F.R. Section 61.49(g)(2) and Section 61.49(h)(1).

¹⁴Requests for SWBT's cost support were received by the Commission's FOIA control office on September 15, 1994 (from MFS Communications), on September 30, 1994 (from MCI Telecommunications Corp.), and on October 3, 1994 (from Associations for Local Telecommunication Services.)

¹⁵The Bureau correctly ruled that the public interest would best be served, without harming SWBT or its vendors, by releasing SWBT's cost-support for virtual collocation rates and rate elements under the restrictions of a Protective Order. [Letter from Kathleen M. H. Wallman, Chief, Common Carrier Bureau to Jonathan E. Canis, Frank W. Krogh and Richard J. Metzger, Freedom of Information Act Request Control Nos. 94-310, 325, 328, DA-94-1214 ("November 1, 1994 Ruling")]. However, the Bureau also ruled that SWBT's cost support data will be withheld until SWBT and the equipment vendors have had an opportunity to exhaust their appeal rights. On November

excessive prices for essential bottleneck facilities. For example, SWBT has already proposed virtual collocation rates that exceed the rates of five other LECs combined.¹⁶ The Commission should not permit SWBT, Ameritech, CBT -- or any other LEC -- to evade public scrutiny of its cost support.

The public interest will best be served by continuing to allow all interested parties to participate fully, without restriction, in the ongoing expanded interconnection proceedings. Many potential entrants have specific expertise that can be extended to the Commission in their effort to assess the lawfulness of the LECs' virtual interconnection rates. These potential entrants are willing to offer their insight, in a timely manner, because it is in their interest to have the interconnection rates reflect just and reasonable costs. Without such rates, alternative providers will not be able to compete with the entrenched monopolies, and the public will not be extended the benefits of competition in the local telecommunications markets.

Restricting input into the analysis of rates, by allowing essential information to be withheld from interested parties, would jeopardize much of what the

16, 1994, SWBT filed an Application for Review of the November 1, 1994 Ruling, seeking review and reversal of the Bureau's ruling to the extent it allows disclosure. Therefore, interested parties have still not been permitted to view SWBT's cost support.

¹⁶SWBT's monthly DS1 rate is more than the proposed rates of United-SE, Ameritech, Centel, BellSouth, and Cincinnati Bell, combined. SWBT, which often compares its "unique" situation to that of US West (since these two carriers propose rates that include equipment costs) has even proposed a monthly DS1 rate that is more than 20 percent higher than US West's egregious rate.

Commission has already accomplished in the expanded interconnection proceeding, as these rates are fundamental to the development of competition.

Moreover, tariff cost support data, because it is so crucial to the review of a tariff, is precisely the type of material that the Commission has ordered to be disclosed in the past, even when it is confidential. As the Commission explained in the SCIS Disclosure Order:¹⁷

Cost support materials filed with tariffs are routinely available for public inspection under the Commission's Rules, and the Commission has departed from this practice only with great reluctance. The few departures from routine disclosure have tended more toward effecting disclosure, under safeguards for proprietary material, than toward the categorical denial of public access. This practice comports with both the Administrative Procedure Act's fundamental interest in administrative decisions reached upon a public record, and the strong statutory preference for disclosure established by the FOIA.¹⁸

In one of the orders cited as authority for the quoted language, the 1989 TRP Confidentiality Order,¹⁹ the Bureau observed that "suppression of these [TRP] data would prevent other parties from commenting on the proposed rates, thus depriving the Bureau of a valuable resource in our review of the annual filings."²⁰

¹⁷Commission Requirements for Cost Support Material To Be Filed with Open Network Architecture Access Tariffs, 7 FCC Rcd 1526 (Common Carrier Bureau 1992), review denied, 9 FCC Rcd 180 (1993) (SCIS Disclosure Review Order), pet. for recon. pending (filed January 14, 1994).

¹⁸Id. at 1532, ¶ 30.

¹⁹Annual 1989 Access Tariff Filings: Petitions for Waiver Regarding Proprietary Treatment of Information Contained in the 1989 Tariff Review Plan, 3 FCC Rcd 7200 (Common Carrier Bureau 1988).

²⁰Id. at 7202, ¶ 18.

Accordingly, even confidential TRP data should not be "withheld from persons who may wish to file petitions to reject, investigate, or suspend a tariff. Persons who pay tariff rates have a compelling interest in obtaining access to data that are relevant to the rate computations."²¹

The "legal authority" for discretionary disclosure of trade secrets is found in Sections 0.457(d) and 0.461(f) of the Commission's Rules. Section 0.457(d)(2)(i), for example, states, in part, that "a persuasive showing as to the reasons for inspection will be required" in requests under Section 0.461 for disclosure of "trade secrets or commercial, financial or technical data which would customarily be guarded from competitors," and Section 0.461(f)(4) states that such requests may be "granted." (Emphasis added). The Commission has accordingly held that disclosure of material covered by the Trade Secrets Act, 18 U.S.C. § 1905, is therefore "authorized by law."²²

SWBT, Ameritech, and CBT, have not demonstrated, nor even attempted to demonstrate, that the pricing data involved warrants confidential treatment. MCI requests that the cost support be made public immediately, to permit interested parties to participate fully in the next phase of this investigation, as well as to

²¹Id. at 7202, ¶ 22. Compare, PanAmerican Satellite, FOIA Control No. 88-174, 4 FCC Rcd 4586, 4587 at ¶ 11 (1989) (contrasting document as to which discretionary release was denied with the "type of cost support data that would be required to be submitted in tariff proceedings").

²² MTS & WATS Market Structure, CC Docket No. 78-72, Phase I, 4 FCC Rcd 6527, 6529 n.14 (1989) (citing Northern Television, Inc. v. FCC, C.A. No. 79-3468 (D.D.C. April 18, 1980)); American Satellite Co., FOIA Control No. 84-117, FCC 85-311 (released June 19, 1985), at ¶ 23.

evaluate the need for reconsideration of any Commission order resulting from the five-month suspension.

V. THE BUREAU REAFFIRMED COMMISSION POLICY AND DID NOT EXCEED ITS AUTHORITY

In the Virtual Collocation Order, the Commission stated that it is concerned "that the LECs could attempt to load excessive overhead costs on their connection charges," and ruled that "LECs may not recover a greater share of overhead loadings in rates for expanded interconnection services than they recover in rates for comparable services, absent justification."²³ The Commission also stated that the "LECs have the burden of demonstrating that their connection charges meet the overhead loading standard, and are otherwise just, reasonable, and not unreasonably discriminatory."²⁴ Contrary to SWBT's assertion, the Bureau acted within its authority and consistent with Commission policy when it ordered "LECs to apply overhead loadings that are equal to the lowest overhead loadings assigned to other DS1 and DS3 customers."²⁵

²³Virtual Collocation Order, FCC Rcd 5189 (released July 25, 1994).

²⁴Id.

²⁵Virtual Collocation Tariff Suspension Order at ¶25. As was the case in the physical collocation tariffs, the LECs have established rate elements for expanded interconnection in their virtual collocation tariffs that specifically recover costs that would ordinarily be included as fully distributed cost overheads on all rates (e.g., land and building). In the Special Access Physical Collocation Order, the Bureau correctly eliminated the double-counting of overhead costs, and adjusted the proposed LEC rates downward (Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection

In the Virtual Collocation Tariff Suspension Order, the Bureau stated that "most LECs have failed to justify their proposals to recover a greater share of overhead costs in charges for expanded interconnection services than they recover in charges for comparable services," and therefore, concluded "that most of the LECs' rates for virtual collocation are likely to be unreasonably high."²⁶ Section 204(a) of the Communications Act clearly states that "the burden of proof to show that the increased charge, or proposed charge, is just and reasonable shall be upon the carrier."²⁷ In their Virtual Collocation Tariffs, the LECs failed to meet their burden of proof. Thus, based on the record, the Bureau correctly, and lawfully, required the LECs to lower their overhead loadings.

The Bureau's requirement that the LECs may not recover a greater share of overhead costs in charges for expanded interconnection services than they recover in charges for existing comparable services is also consistent with Commission policy. In both the physical collocation proceeding²⁸ and in the Open Network

for Special Access, CC Docket No. 93-162, 8 FCC Rcd 4597 (Com. Car. Bur. 1993) ("Special Access Physical Collocation Order"). The attempt to double-recover costs is another reason why the Bureau was correct to lower the LECs' proposed overheads for virtual collocation.

²⁶Virtual Collocation Tariff Suspension Order at ¶24.

²⁷47 U.S.C. 204(a)(1).

²⁸See Local Exchange Carriers' Rates, Terms, and Conditions for Expanded Interconnection for Special Access, CC Docket No. 93-162, 8 FCC Rcd 4589 (Com. Car. Bur. 1993) ("Special Access Physical Collocation Designation Order").

Architecture proceeding,²⁹ the Commission based reasonable overhead loadings on existing comparable service overhead loadings.

The Bureau's requirement is also consistent with the Commission's goal of promoting the development of competition in local telecommunications markets.

The Bureau correctly concluded that:

the Commission's policy of promoting competitive entry into the local exchange market would be frustrated by the practice of assigning high overheads to the LEC facilities upon which interconnectors rely to provide competitive services while assuming low overheads to the very services against which interconnectors are trying to compete."³⁰

Since interconnectors seeking to compete in the local exchange market will have to compete against the lowest rates charged by the incumbent LEC, their cost for essential bottleneck facilities, which are controlled by the LEC, should be equal to the those that the LEC charges itself (i.e., the lowest overhead loading assigned to other DS1 and DS3 services).

There is no question that the Bureau's ruling on overhead loadings is consistent with the Commission's policy. Nevertheless, in the Designation Order the Bureau offered the LECs another opportunity to support their excessively high, egregious, overhead loadings. Specifically, the Bureau ordered the LECs to explain in their direct cases how the public interest goal of fostering efficient competition in markets for local telecommunications services is advanced if LECs

²⁹Open Network Architecture Tariffs of Bell Operating Companies, CC Docket No. 92-91, 9 FCC Rcd 440 (released December 15, 1993) ("ONA Order").

³⁰Virtual Collocation Tariff Suspension Order at ¶22.

use average overhead loadings for virtual collocation services provided to competitors and below-average loadings for service provided to their own end users.³¹ The LECs' direct cases, however, are neither persuasive nor impressive.

While Ameritech recognizes the Bureau's concerns for a "price squeeze" in a purely academic form, it professes that the Commission's concern is not applicable to Ameritech because its rates are cost based.³² SWBT uses its direct case to restate that its proposed virtual collocation rates are reasonable, asserts that the Commission's concerns are not applicable to SWBT,³³ and mocks the Bureau's use of the term "most favored customers."³⁴ BellSouth completely ignores the Bureau's order to respond to the question; the remaining LECs dance around the question, merely restating that their proposed virtual collocation tariffs were reasonable or that the Commission's question is not applicable.

The Communications Act extends to the LECs an opportunity in their direct cases to demonstrate that their proposed overhead loadings are just, reasonable, and nondiscriminatory. The Communications Act places the burden of proof on the

³¹Designation Order at ¶19. In the Virtual Collocation Tariff Suspension Order, the Bureau concluded that the LECs appear to assign overheads to LEC facilities upon which interconnectors rely to provide competitive services, and low overheads to the services against which the interconnectors compete (Virtual Collocation Tariff Suspension Order at ¶21-22.)

³²Ameritech Direct Case at p. 6.

³³SWBT Direct Case at Appendix 7, p. 1 of 2.

³⁴Id. at pp. 7-9.

carriers.³⁵ The LECs have failed to meet their burden of proof. The actions of the Bureau, adjusting the overhead loadings of the LECs to reflect the lowest overhead loadings assigned to the LECs' comparable DS1 and DS3 services, should be upheld.

VI. THE BUREAU'S ACTIONS ARE NOT CONFISCATORY

SWBT asserts that the Bureau's Virtual Collocation Tariff Suspension Order is confiscatory because it lowers the overhead that can be recovered by interconnection arrangements.³⁶ SWBT's argument is void of logic.

As the Commission stated in the ONA Order:

Typically, in the ratemaking process, rates are set to recover the sum of direct costs and overheads. Direct costs, which are predominantly capital costs and other plant specific costs, are closely linked to direct investment and are, therefore, usually calculated using direct investment as a starting point. Overheads, in turn, are usually calculated using direct costs as a base.³⁷

The Bureau's Virtual Collocation Tariff Suspension Order lowers the amount of overhead that the LECs can assign to their virtual collocation tariffs. Overhead loadings constitute a measure of overhead costs assigned to a rate element, beyond the direct cost of providing the service. Since the LECs are permitted to

³⁵47 U.S.C 204(a)(1).

³⁶SWBT Direct Case at p. 3.

³⁷ONA Order at ¶44.

recover all of their direct costs, it is impossible for the Bureau's actions to be deemed "confiscatory."

The Bureau was correct to lower the amount of overhead that the LECs are permitted to recover. Their actions are not confiscatory.

VII. COST OF MONEY

Certain LECs have attempted to recover funds in excess of the 11.25 percent that is allowed by the Bureau.³⁸ In the Tariff Review Plan Order, the Commission clearly stated that 11.25 percent was the discount rate that the LECs should use to determine their virtual collocation rates. BellSouth, nevertheless, continues to utilize a rate of 13.34 percent to determine the rate elements of many virtual expanded interconnection services.

There is no reason to believe that any LEC would need to borrow money as a result of virtual expanded interconnection services. Interconnectors are required to pay for any costs that result from the offering of these services. Additionally, the added cost of providing these services is minimal, relative to daily operating expenses of the LECs. LECs would also, in any case, be able to borrow from the financial markets, if necessary, at a rate considerably lower than market rate given the monopoly control that they continue to maintain over the central office facilities.

³⁸The Bureau required LECs to assume that nonrecurring costs will be amortized over a 5-year period at an 11.25 percent discount rate. (Commission Requirements for Cost Support Material To Be Filed with Virtual Collocation Tariffs for Special Access and Switched Transport, 9 FCC Rcd 5679 (Com. Car. Bur. 1994) ("Tariff Review Plan Order") at ¶16.

Virtual collocation is a monopoly service and clearly does not justify recovery for capital in excess of the Commission ordered 11.25 percent. BellSouth has not even made an effort in its direct case to explain why it continues to ignore the Bureau's Tariff Review Plan Order.

VIII. CONCLUSION

For the above-mentioned reasons, MCI requests (1) that the Commission uphold its requirement that LECs adjust their overhead loadings to reflect the lowest overhead loadings assigned to the LECs' comparable DS1 and DS3 services; and (2) that the Commission require LECs to file all cost support on the public record.

Respectfully submitted,
MCI TELECOMMUNICATIONS CORPORATION

A handwritten signature in black ink, appearing to read 'Don Sussman', with a long, sweeping horizontal line extending to the right.

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(202) 887-2779

April 4, 1995

STATEMENT OF VERIFICATION

I have read the foregoing and, to the best of my knowledge, information, and belief, there is good ground to support it, and it is not interposed for delay. I verify under penalty of perjury that the foregoing is true and correct. Executed on April 4, 1995.

A handwritten signature in black ink, appearing to read 'Don Sussman', followed by a long horizontal line extending to the right.

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CERTIFICATE OF SERVICE

I, Barbara Nowlin, do hereby certify that copies of the foregoing Opposition to Direct Cases were sent via first class mail, postage paid, to the following on this 4th day of April.

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